



Senate

General Assembly

File No. 266

February Session, 2012

Substitute Senate Bill No. 358

Senate, April 4, 2012

The Committee on Banks reported through SEN. DUFF of the 25th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT ENCOURAGING INCREASED SAVINGS DEPOSITS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2012*) (a) For purposes of this
2 section, "savings promotion raffle" means a raffle conducted by a
3 Connecticut credit union, as defined in section 36a-2 of the general
4 statutes, or a community bank, as defined in section 36a-70 of the
5 general statutes, where the sole consideration required for a chance of
6 winning designated prizes is the deposit of a minimum specified
7 amount of money in a savings account or other savings program
8 offered by such Connecticut credit union or community bank.

9 (b) Any Connecticut credit union or community bank that has
10 secure financial integrity may conduct a savings promotion raffle,
11 provided the Connecticut credit union or community bank (1)
12 conducts the savings promotion raffle in a manner that ensures that
13 each entry has an equal chance of winning the designated prize, and
14 (2) fully discloses the terms and conditions of the savings promotion
15 raffle to each of its share account holders, as defined in section 36a-2 of

16 the general statutes, and (3) maintains records sufficient to facilitate an
17 audit of such savings promotion raffle.

18 (c) The Banking Commissioner may adopt regulations, in
19 accordance with the provisions of chapter 54 of the general statutes, to
20 carry out the provisions of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2012	New section

BA *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 13 \$	FY 14 \$
Banking Dept.	BF - Cost	7,500	2,000

Note: BF=Banking Fund

Municipal Impact: None

Explanation

The bill results in a cost to the Department of Banking of \$7,500 in FY 13 and \$2,000 in FY 14. The cost in FY 13 is due to the need for software to monitor savings promotion raffles (\$5,500) along with the cost for published material regarding the regulation of such raffles (\$2,000). The publication cost would continue in FY 14 and each year thereafter.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 358*****AN ACT ENCOURAGING INCREASED SAVINGS DEPOSITS.*****SUMMARY:**

This bill allows any Connecticut credit union or community bank with secure financial integrity to hold a savings promotion raffle if the credit union or bank:

1. ensures that each entry has an equal chance of winning the designated prize,
2. fully discloses the terms and conditions of the raffle to each of its share account holders, and
3. maintains sufficient records to facilitate an audit of the raffle.

The bill defines a “savings promotion raffle” as a raffle where the only requirement for a chance to win a prize is the deposit of a specified minimum amount of money in a savings account or other savings program offered by the credit union or community bank.

The bill allows the Banking commissioner to adopt regulations in accordance with the Uniform Administrative Procedure Act to carry out the bill’s provisions.

EFFECTIVE DATE: October 1, 2012

BACKGROUND***Charitable Raffles***

Existing law only allows certain organizations to conduct, operate, or sponsor raffles if the host town has adopted the Bazaar and Raffle Act. This applies to veterans', religious, civic, fraternal, educational, and charitable organizations; volunteer fire companies; and political

parties and their town committees. Raffles may also be promoted and conducted if sponsored by towns acting through a designated centennial, bicentennial, or other centennial celebration committee. To conduct a bazaar or raffle, an organization must have a permit from the town where the raffle or bazaar will take place (CGS § 7-170 et seq.).

COMMITTEE ACTION

Banks Committee

Joint Favorable Substitute

Yea 17 Nay 1 (03/20/2012)